GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:341
ANSWERED ON:01.03.2002
OUTSTANDING AMOUNT OF SUGARCANE GROWERS
DUKHA BHAGAT;MADAN PRASAD JAISWAL

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the sugar mills owe large money to the sugarcane growers;

(b) if so, the details thereof, State-wise;

(c) the reasons for not making payment of outstanding amount to the sugarcane growers by the sugar mills; and

(d) the time by which outstanding amount is likely to be paid by the sugar mills and the various steps taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a)&(b): The cane price position in respect of sugar season 2000-2001 (October-September) as on 15-01-2002 was as follows :

(Rs. In Crores)

(i)	Cane price payable amount	14466.83
(ii)	Cane price paid amount	14230.99
(iii)	Cane price arrears amount	235.84
(iv)	Cane price arrears as percentage to (i) above	1.63%

The position of cane price arrears of the current season 2001-2002 vis-â€¦-vis the cane price arrears position of the previous season i.e. 2000-2001 is as follows :

(Rs. in crores)

		2001-2002 (As on 15.1.2002)	2000-2001 (As on 15.1.2001)
(i)	Cane price payable amount	3749.84	3278.86
(ii)	Cane price paid amount	2640.54	2454.45
(iii)	Cane price arrears amount	1109.29	824.40
(iv)	Cane price arrears as % to (i) above	29.6%	25.1%

It may be observed from the above that the cane price payable amount in 2001-2002 sugar season has increased by Rs.470.98 crores while the cane price paid amount has increased by Rs.186.09 crores as compared to the preceding sugar season. The increase in the cane price arrears has been Rs.284.89 crores but percentage-wise the cane price arrears during 2001-2002 sugar season is 29.6% of the cane price payable amount against 25.1% in the preceding sugar season. The increase in the cane price arrears amount is mainly on account of increase in the cane price payable amount. The state-wise details of cane price arrears due to the sugar cane growers for the sugar season 2001-2002 as on 15.1.2002 is at Annexure.

(c)&(d): Accumulation of cane price arrears could be attributed to a number of factors such as poor financial position of sugar mills, high cost of production, excessively high advised cane prices, inadequate sales realization etc.

Responsibility of ensuring timely payments of cane price dues by sugar mills lies with the State Governments, which have the necessary powers and filed agencies to enforce such payments. The Central Government, apart from reviewing the cane price payment position from time to time has written to the State Governments for expediting clearance of cane price dues to the farmers. The Central Government has reduced the levy percentage of sugar factories from 40% to 30% w.e.f. 1.1.2000 and subsequently from 30% to 15% w.e.f. 1.2.2001 to improve their viability. In addition Central Government grants advance free-sale releases to needy sugar factories and 10% of their quarterly free sale release to all the sugar factories for payment of cane price dues. Further, the Sugar Cane (Control) Order, 1966 has been amended empowering the Central Government/State Governments to recover cane price arrears as arrears of land revenue.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PARTS (a)&(b) OF UNSTARRED QUESTION NO. 341 DUE FOR ANSWER ON 11-03-2002 IN THE LOK SABHA.

STATEMENT SHOWING THE STATEWISE/ZONEWISE POSITION OF CANE PRICE PAYABLE, PRICE PAID AND BALANCE OUTSTANDING FOR CANE PURCHASED DURING 2001-2002 SEASON UPTO AS WELL AS ARREARS OF CANE PRICE ON 15-01-2002.

(FIG. IN LAKH RS.)

State/Zone	Total price payable for cane purchased during 2001-2002	Cane price paid upto 15.01.2002	Balance cane price payable as on 15-01-2002	%age of balance payable over total payable.
PUNJAB	23,955.50	16,271.50	7,684.00	32.08
HARYANA	10,478.40	3,820.91	6,657.49	63.54
RAJASTHAN	0.00	0.00	0.00	0.00
WEST UP	26,749.91	19,755.41	6,994.50	26.15
CENTRAL UP	34,827.81	17,650.71	17,177.10	49.32
EAST UP	16,015.79	10,696.14	5,319.65	33.22
TOTAL UP	77,593.51	48,102.26	29,49.25	38.01
UTTARANCHAL	10,446.63	7,301.43	3,145.20	30.11
MADHYA PRADESH	3,869.66	3,274.96	594.70	15.37
SOUTH GUJARAT	22,780.31	18,813.76	3,966.55	17.41
SAURASHTRA	0.00	0.00	0.00	0.00
TOTAL GUJARAT	22,780.31	18,813.76	3,966.55	17.41
SOUTH MAHARASHTRA	55,322.04	50,536.72	4,785.32	8.65
NORTH MAHARASHTRA	21,833.70	17,553.73	4,279.97	19.60
CENT-MAHARASHTRA	39,332.14	33,235.05	6,097.09	15.50
TOTAL MAHARASHTRA	116,487.88	101,325.50	15,162.38	13.02
NORTH BIHAR	10,671.74	6,459.28	4,212.46	39.47
SOUTH BIHAR	0.00	0.00	0.00	0.00
TOTAL BIHAR	10,671.74	6,459.28	4,212.46	39.47
ASSAM	12.33	5.54	6.79	55.07
ANDHRA PRADESH	26,180.58	16,419.46	9,761.12	37.28
KARNATAKA	42,285.78	24,998.69	17,287.09	40.88
TAMIL NADU	28,591.85	16,634.58	11,957.27	41.82
KERALA	318.42	153.39	165.03	51.83
ORISSA	291.71	110.56	181.15	62.10
WEST BENGAL	350.84	230.10	120.74	34.41
NAGALAND	0.00	0.00	0.00	0.00
PONDICHERRY	453.85	0.00	453.85	100.00
GOA	214.70	132.38	82.32	38.34
ALL INDIA TOTAL	374,983.69	264,054.30	110,929.39	29.58